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**USTR BARSHEFSKY INITIATES INVESTIGATION OF MEXICAN PRACTICES
AFFECTING
HIGH FRUCTOSE CORN SYRUP (HFCS)**

United States Trade Representative Charlene Barshefsky announced today her decision to initiate an investigation of Mexican practices affecting high fructose corn syrup (HFCS). This decision is in response to a petition filed by the Corn Refiners Association, Inc., under section 301 of the Trade Act of 1974, alleging that certain practices of the Government of Mexico deny fair and equitable market opportunities for U.S. exporters of HFCS. In particular, the petition alleges that, in September 1997, with the support and encouragement of the Government of Mexico, representatives of the Mexican sugar industry and the Mexican soft drink bottling industry entered into an agreement to limit the soft drink industry's consumption of HFCS.

"This petition raises serious allegations to be investigated," Ambassador Barshefsky said. The United States will immediately request consultations on the matter with the Government of Mexico.

Section 301 provides the means for businesses and workers in the United States to seek the aid of the government to respond to unfair trade practices which burden or restrict U.S. commerce. The investigation must be concluded within 12 months of initiation. Copies of the petition are available in the USTR Reading Room.